

Levittown Public Schools

Revenue Projection

2015-2016

Proposed Budget



Presentation to the Board of Education

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March 4th, 2015

Governor's State Aid Proposal

- State Aid increase of \$1.1 Billion or 4.8% if the Reform Agenda is Passed
- State Aid increase of 1.7% or \$377 million if the Reform Agenda is not passed
- For the individual school district the Governor has said lesser of current law or current year.
- Current law (i. e. if no budget is enacted):
 - \$309 million for expense-based aids
 - \$140 to \$150 million for building aid
 - 145 districts lose money.
- GEA and Foundation Aid frozen
- No state aid runs before passed budget, scheduled to be April 1, 2015

What is the Reform Agenda?

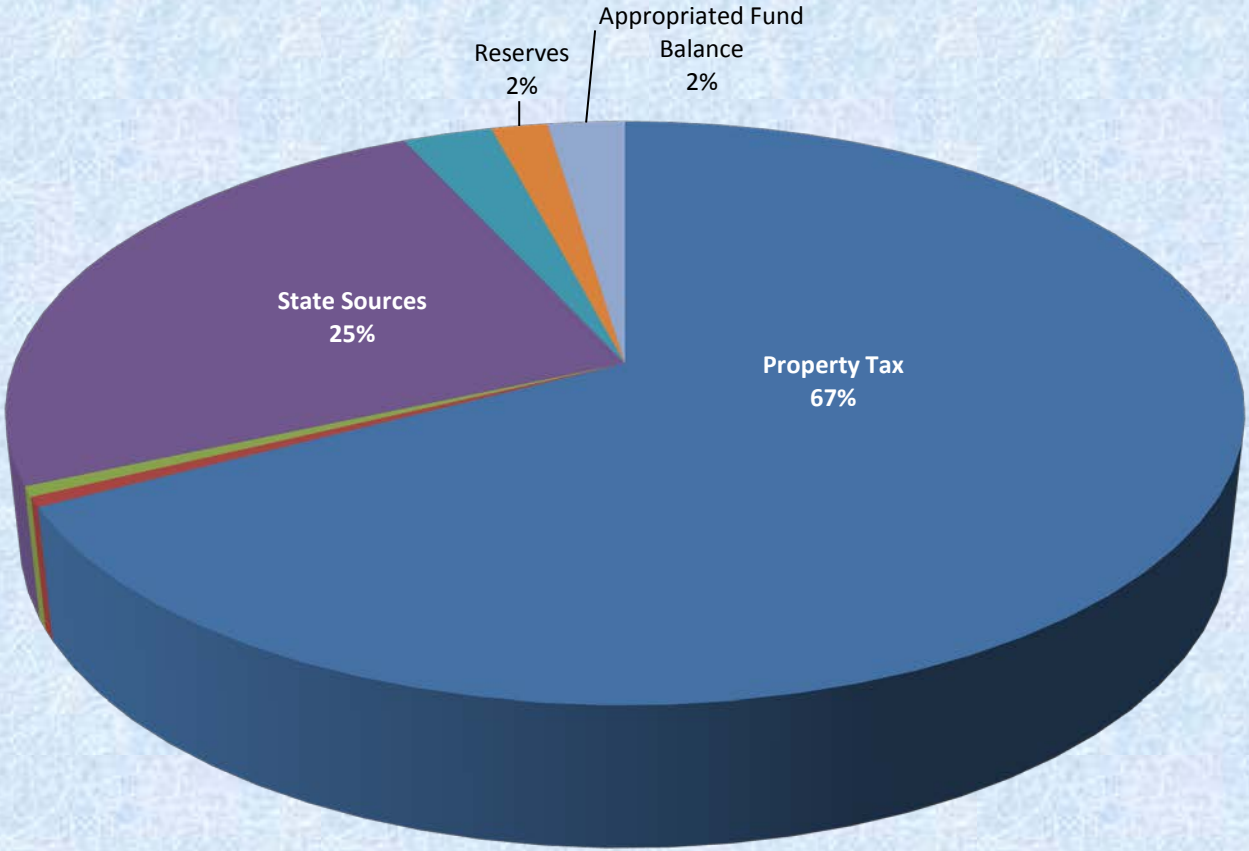
- Tenure: The 5 year plan—effective or highly effective gets you tenure.
- 3020a Reform:
 - Dismiss after 2 years of ineffective ratings
 - Burden of proof shifts to teacher
- Failing Schools
 - After 3 years: receivership, manager or receiver assigned to overhaul school, curriculum, teacher assignments
- Charter Schools
 - 100 more
 - More aid per pupil from district
- 20K for highly effective teachers
- SUNY/CUNY: free tuition for top graduate students giving 5 years to teaching profession
- Tax Credits for contributors to charter, private, parochial or public schools.
- Circuit Breaker: property tax paid will be attached to income levels
- Mayoral Control—extend to other Big 5

What is the Reform Agenda?

APPR:

- Distribution of scores:
 - Current: 20-20-60
 - Governor Proposes: 50-50
 - 50 points on state test or comparable measure
 - 50 points on other measures-rubrics, independent evaluators
- Shift in control of evaluation from District to State
- Unstable growth scores and faulty tests
- Parental push back

Components of 2015-2016 Revenue



92% OF REVENUE COMES FROM TAXES AND STATE AID

State Aid is Driven by Two Basic Aid Packages

Formula Aids:

- Wealth and needs driven with local discretion on how money is spent.

Expense Driven Aids:

- Categorical Aid and Grants:
 - Aid package with strings attached and expenditure thresholds.
 - Examples-textbook, software, hardware aids.
- Reimbursement Aid:
 - Wealth driven formulas tied to local district expense.
 - Examples – building, transportation, BOCES and special education.

State sources – Formula Aids

	2014-2015 Legislative Budget Projection	2015-2016 Questar Projection**
Foundation Aid		
Fixed Amount (set in 07/08 SY)	\$37,037,196	\$37,037,196
Less Gap Elimination	-4,104,956	-4,104,956
Net Foundation Aid	<u>\$32,932,240</u>	<u>\$32,932,240</u>
Building Aid		
Based on approved projects	\$3,545,958	\$3,994,450
High Tax Aid		
This number is frozen at the 2008/2009 level.	\$4,406,095	\$4,406,095

*Individual districts are eligible for High Tax Aid, provided that the district's Income Wealth Index for Foundation Aid is less than 2.5, the district's approved operating expense per pupil is greater than the statewide average of \$10,550 and the district's tax levy from residential property exceeds 3.3% of its adjusted gross income.

State Aid – Categorical Aids

		2014-2015 Legislative Budget Projection	2015-2016 Questar Projection**
Based on BEDS Data (per student):			
Hardware	(24.20/student)	\$106,100	\$110,676
Software	(14.98/student)		
Library	(6.25/student)	613,274	613,517
Textbook	(58.25/student)		
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		\$719,374	\$724,193
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Based on Prior Year Expenditures

Transportation	\$2,930,773	\$3,038,958
BOCES	2,228,088	2,486,062
Public High Cost Excess Cost Aid	1,722,157	1,738,327
Supplemental Public Excess Cost Aid	208,322	208,322
Private Excess Cost	470,292	455,660
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	\$7,559,632	\$7,927,329
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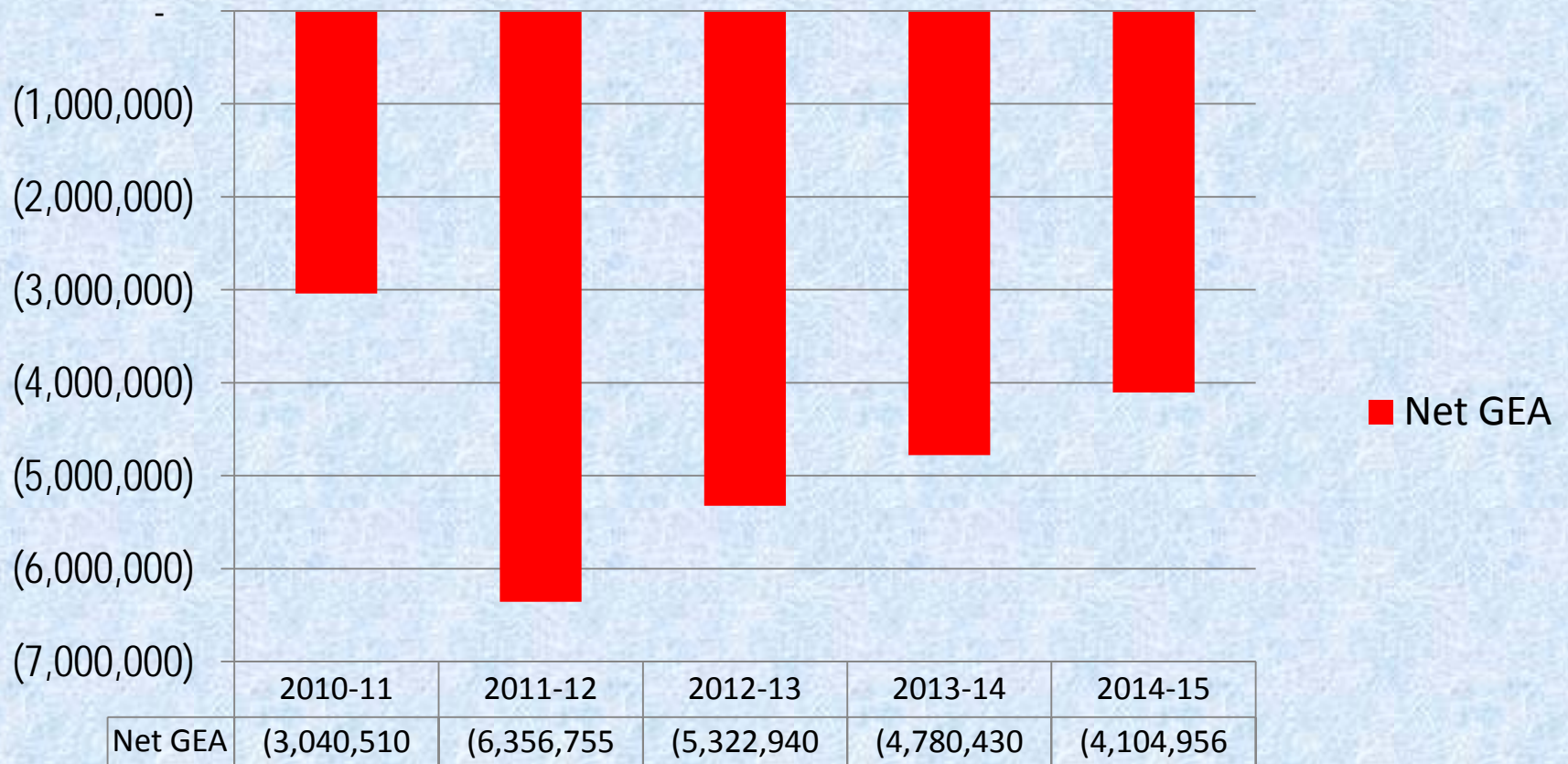
State Aid - Gap Elimination Adjustment

School Year	GEA	GEA Restoration	Net GEA
2010-11	(4,603,491)	1,562,981	(3,040,510)
2011-12	(7,334,717)	977,962	(6,356,755)
2012-13	(6,201,025)	878,085	(5,322,940)
2013-14	(5,322,940)	542,510	(4,780,430)
2014-15	(4,780,430)	675,474	(4,104,956)
			<u>(23,605,591)</u>

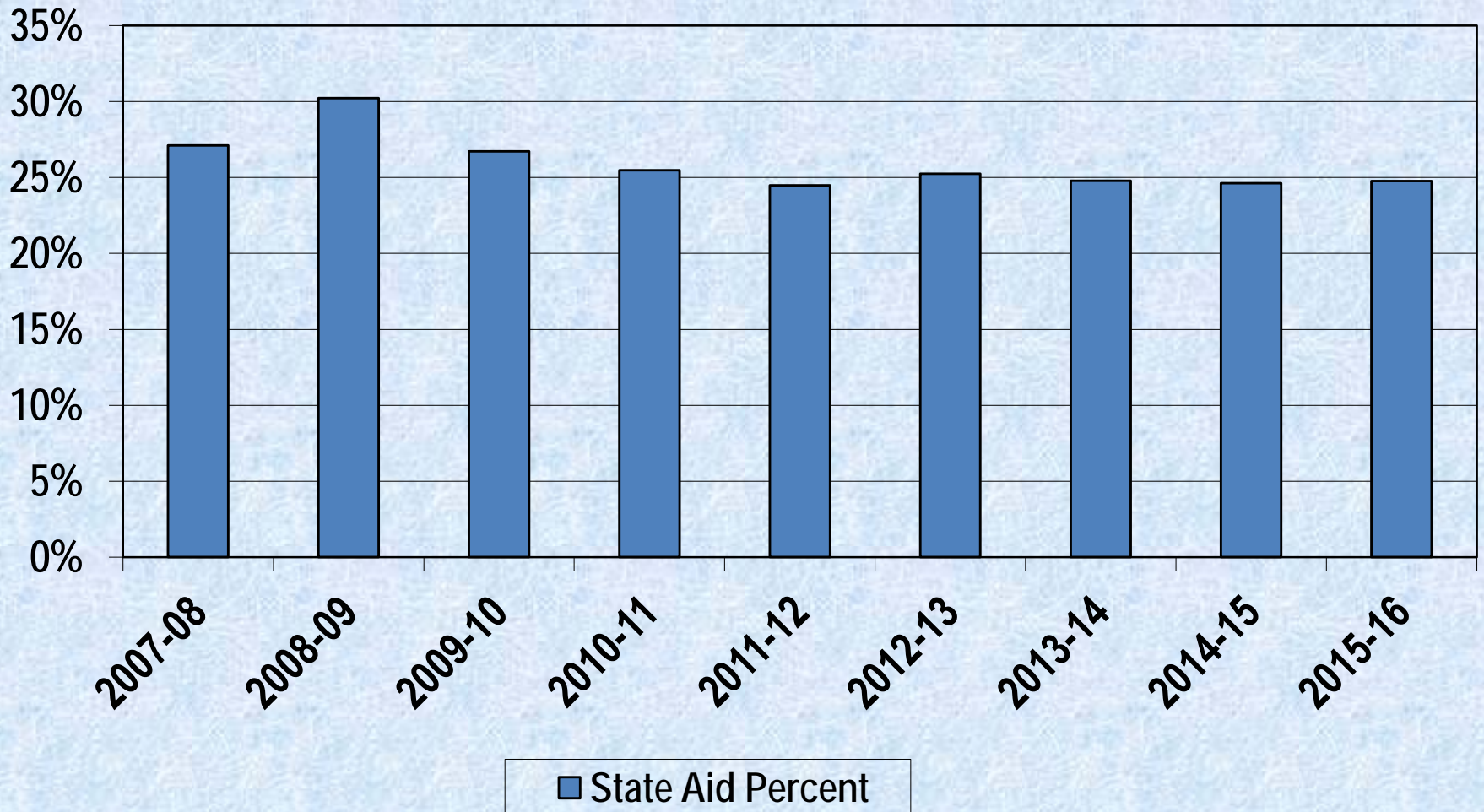
2015-16 ?

State Aid – Gap Elimination Adjustment

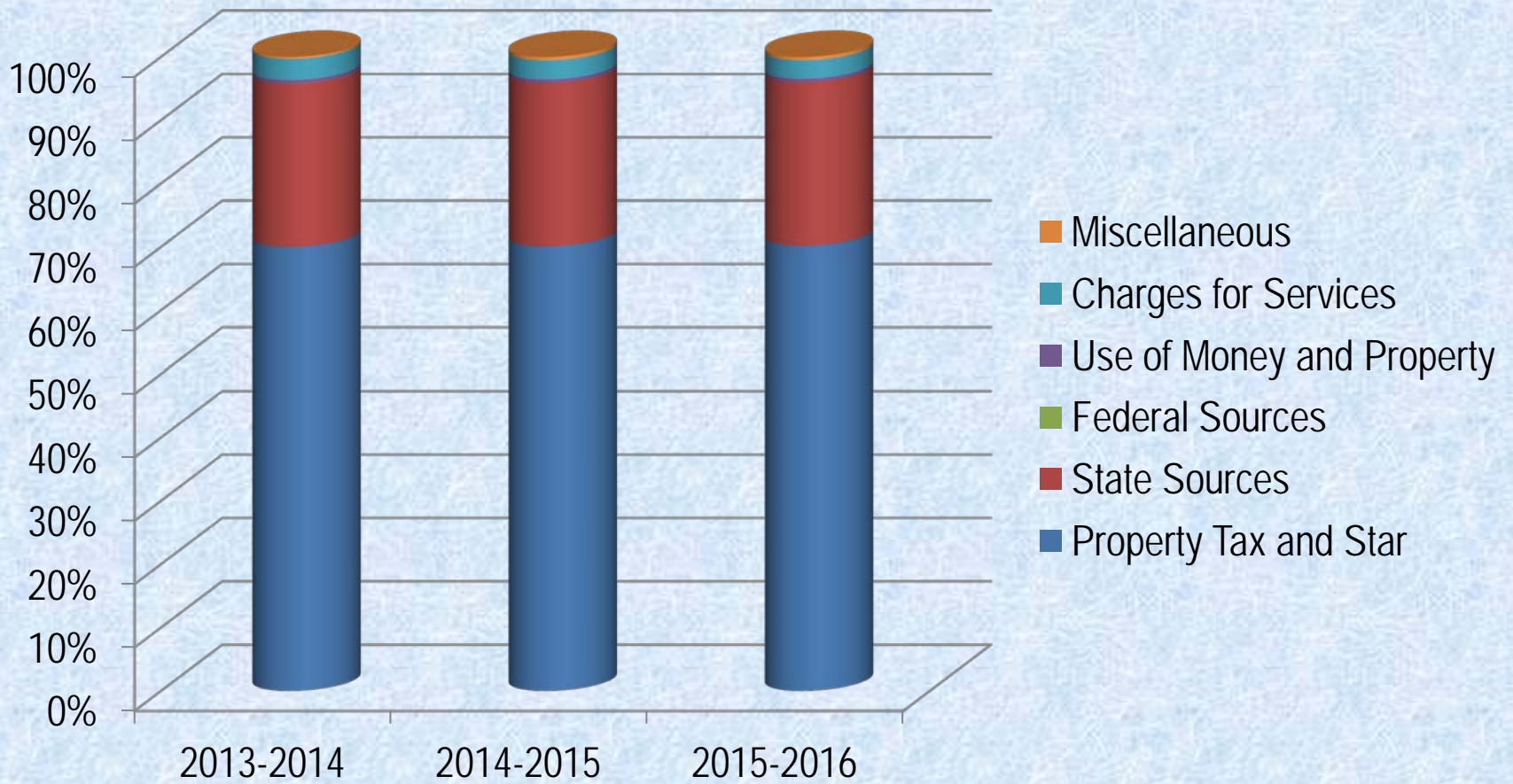
Net GEA



State Aid As A Percent of Budget



Revenue Trend



Revenue Sources

2015-16 estimated revenue

Property Taxes	\$ 135,702,305 (1.82%)
State Aid	\$ 49,984,307 (Estimate 1.67%)
Reserves/Fund Balance	\$ 8,307,646 (3,500,000 + 4,807,646)
Other	\$ 7,823,536
Total	\$ 201,817,794

Real Property Tax Cap/Tax Freeze

Tax Cap Summary Table	Tax Levy Limit Before Adjustments and Exclusions
Tax Levy FYE 2015	\$ 133,280,952
Tax Cap Reserve Plus Interest from FYE 2014 Used to Reduce 2015	\$ -
Total Tax Cap Reserve Amount (including interest earned) from FYE 2015	\$ -
Tax Base Growth Factor (Brick & mortar improvements)	1.0000
PILOTs Receivable FYE 06/30/2015	\$ 200,000
Tort Exclusion Amount Claimed in FYE 06/30/2015	\$ -
Capital Levy for FYE 06/30/2015	\$ -
Allowable Levy Growth Factor (based on Dec CPI)	1.0162
PILOTs Receivable FYE 06/30/2016	\$ 194,708
Available Carryover from FYE 06/30/2015	\$ -
Total Levy Limit Before Adjustments/Exclusions	\$ 135,448,635

Tax Cap Summary Table	Adjustments & Exclusions
Tax Levy Necessary for Expenditures Resulting from Tort Orders/Judgements Over 5%	\$ -
Capital Levy for FYE 06/30/2016	\$ 253,670
Tax levy necessary for pension contribution expenditures caused by growth in the system average actuarial contribution rate (ERS,PFRS) or normal contributions rate (TRS) in excess of 2 percentage points	
Teachers Retirement System	\$ -
Employees Retirement System	\$ -
Total Exclusions	\$ 253,670
Tax Levy Limit, Adjusted for Transfers, Plus Exclusions	\$ 135,702,305
Total Tax Cap Reserve Amount Used to Reduce 2016 Levy	\$ -
2016 Proposed Levy, Net of Reserve	
Difference between Tax Levy Limit Plus Exclusions and Proposed Levy	\$ 135,702,305
Do you plan to override the cap in 2016?	No

Capital Exclusion

2014-2015		2015-2016	
Debt Service (G/L code 9901-960-00-0000)	3,061,509	Debt Service (G/L code 9901-960-00-0000)	3,032,334
Capital Outlay	0	Capital Outlay	1,000,000
Bus Purchases	442,050	Bus Purchases	476,000
Transfer to capital		Transfer to capital	
	<u>3,503,559</u>		<u>4,508,334</u>
Other Revenues (Capital Fund & Capital Reserve)	100,000	Other Revenues (Capital Fund & Capital Reserve)	100,000
Building Aid		Building Aid	
General Formula Aid Output Report		General Formula Aid Output Report	
Line 7a Regular Building Aid	5,017,055	Line 7a Regular Building Aid	3,911,793
Less: Building Condition Survey Aid (BCS Output Entry 11)	0.	Less: Building Condition Survey Aid (BCS Output Entry 11)	128,000
	<u>5,017,055</u>		<u>4,039,793</u>
Transportation Aid		Transportation Aid	
Transportation formula Aid Output Report		Estimated transportation aid output report	
Line 79: Total assumed capital exp aidable in 2014-15	124,562	Line 60: Total assumed capital exp aidable in 2014-15	174,841
Line 32: State share ratio for transportation	0.637	Given: State share ratio for transportation	0.657
	<u>79,720</u>		<u>114,871</u>
Building aid/transportation aid	<u>5,096,775</u>	Building aid/transportation aid	<u>4,154,664</u>

Capital Exclusion = \$253,670

Levittown Public Schools Budget and Tax Increases

Year	Budget to Budget Increase	Tax Levy Increase
2006-2007	3.93%	3.96%
2007-2008	6.49%	4.78%
2008-2009	6.39%	3.75%
2009-2010	2.18%	3.25%
2010-2011	5.74%	2.63%
2011-2012	2.63%	3.43%
2012-2013	-4.00%	1.85%
2013-2014	2.94%	2.98%
2014-2015	1.62%	1.62%
Average	3.10%	3.14%
2015-2016 Budget is at the Tax Cap	1.54%	1.82%



Questions?